

MINUTES
OF THE
NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

DATE: March 26, 2015
TIME: 9:00 a.m.
PLACE: Holiday Inn
Raleigh, North Carolina
SUBMITTED BY: Anthony B. Bonapart
Deputy Director

MEMBERS PRESENT:

Jack Ingle
Ralph Gregory
Larry McClellan
Mack Donaldson
Courtney Brown
Larry Proctor

STAFF PRESENT:

Deputy Director Anthony Bonapart
Field Services Supervisor Phillip Stephenson
Attorney Jeff Gray

VISITORS:

Charles K. Hatcher
Duncan Hubbard
Kirk Saunders
Hillary Hall
Michael T. Williams
Keith Pendleton
Clevon Dehaney
Robert Kenney
James M. Sorith

MEMBERS ABSENT:

John Thompson

Board Secretary Nan Williams
Investigator Melvin Turner

Ronald A. Armeen
David Foster
Gina Wagner
Thomas McCabe
Timothy R. Mangum
Rory Fountain
Ray Billaiski
Ruth Story
Don Childers

Courtney Love
Wilbur G. Robbins
Nick Hatley
David Sperber
Robert Batten
Rick Gibbey
Jay Stone
Jim Brady
John Otto
Conley R. Gribb
Edward L. Jones
Charles Edwards
Stephen W. Moore
Travis Somers
Roger Parks
Maria Hughes
Denice Childress

Anita Surratt
Stanley L. Huffstettler IV
Hal Morlock
Stephen Adams
Amanda Jones
Ken Henke
Gregory Sawyer, Sr.
Chris Nobling
Chuck Olson
W. R. Swain
Mike Lahey
Mike Morgan
Dorian Dehrel
Dirk Hudson
Roger Parks
Dennis Holzschuh

The March 26, 2015 meeting of the North Carolina Alarm Systems Licensing Board was called to order by Chairman Gregory at 9:00 a.m.

In accordance with the State Ethics Law, Attorney Gray read the following information. "It is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. If any member has any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today, please identify the conflict or appearance and refrain from the deliberation and vote in that matter."

Mr. Gregory welcomed all guests.

MR. INGLE MADE A MOTION TO APPROVE THE JANUARY 22, 2015 BOARD MEETING MINUTES. SECONDED BY MR. LARRY MCCLELLAN. MOTION CARRIED.

Mr. Gregory gave the Grievance Committee report. Mr. Gregory and Mr. Donaldson met as the Grievance Committee on March 25, 2015 from 9:00 a.m. to 10:05 a.m.

MR. BROWN MADE A MOTION TO APPROVE THE GRIEVANCE REPORT AS PRESENTED. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

Mr. Ingle gave the Screening Committee report. It was noted Mr. Brown recused himself from voting on the application of Mr. James R. Gibbons, Jr.

MR. DONALDSON MADE A MOTION TO APPROVE NUMBER ONE, TWO, FOUR,

FIVE, SIX, SEVEN, AND EIGHT OF THE SCREENING REPORT. SECONDED BY MR. BROWN. MOTION CARRIED.

MR. MCCLELLAN MADE A MOTION TO APPROVE NUMBER THREE OF THE SCREENING REPORT. SECONDED BY MR. DONALDSON. MOTION CARRIED. IT WAS NOTED MR. BROWN RECUSED HIMSELF FROM VOTING ON THE APPLICATION OF MR. JAMES R. GIBBONS, JR.

An addendum item in regard to Westminster Security from Horsham, PA., was discussed.

MR. DONALDSON MADE A MOTION TO LIFT THE CEASE & DESIST. THE COMPANY MUST HAVE A LICENSED NC ALARM COMPANY TO EXECUTE THE BURGLAR ALARM SYSTEMS CONTRACTS. ALSO, THE COMPANY MUST NOTIFY THE STAFF WHICH LICENSED ALARM COMPANY HAS BEEN DESIGNATED TO EXECUTE THE CONTRACTS. THE NOTIFICATION WILL BE MADE IN WRITING. SECONDED BY MR. BROWN. MOTION CARRIED. IT WAS NOTED MR. GREGORY RECUSED HIMSELF FROM VOTING IN THIS MATTER.

Mr. Bonapart gave the registration report.

MR. INGLE MADE A MOTION TO APPROVE THE REGISTRATION REPORT AS PRESENTED. SECONDED BY MR. DONALDSON. MOTION CARRIED.

Mr. Gray recused himself as counsel to the Board and presented the following final agency decisions.

14 DOJ 07612 - Rory Dean Fountain - This contested case was heard before Administrative Law Judge Julian Mann, III on October 28, 2014. The issue was whether or not grounds exist to deny an alarm registration for Mr. Fountain for lack of good moral character and temperate habits as evidenced by conviction of felony 1st Degree Rape in the State of Oregon. Mr. Fountain was present.

MR. DONALDSON MADE A MOTION TO APPROVE THE ALARM REGISTRATION. SECONDED BY MR. BROWN. MOTION CARRIED. IT WAS NOTED THAT MR. INGLE AND MR. PROCTOR OPPOSED THIS DECISION.

14 DOJ 06135 - Daniel Lewis Sager - This contested case was heard before Administrative Law Judge Randall May on September 23, 2014. The issue was whether or not grounds exist to deny an alarm registration for Mr. Sager for lack of good moral character and temperate habits as evidenced by conviction of misdemeanor Hit and Run and DWI. Mr. Sager was not present.

MR. MCCLELLAN MADE A MOTION TO DEFER THIS MATTER UNTIL THE MAY 21, 2015 BOARD MEETING. SECONDED BY MR. DONALDSON. MOTION CARRIED.

14 DOJ 06134 - Malinda McCray McCullum - This contested case was heard before Administrative

Law Judge Julian Mann, III on October 28, 2014. The issue was whether or not grounds exist to deny an alarm registration for Ms. McCullum for lack of good moral character and temperate habits as evidenced by conviction for 44 counts of felony Embezzlement. Ms. McCullum was not present.

MR. MCCLELLAN MADE A MOTION TO DEFER THIS MATTER UNTIL THE MAY 21, 2015 BOARD MEETING. SECONDED BY MR. INGLE. MOTION CARRIED.

SPECIAL REPORTS AND PRESENTATIONS

1. IP Video Management Simplified - The committee recommends approval for 2 CEU's for this course.
2. Functions of an Alarm System - The committee recommends approval for 1 CEU for this course.
3. Alarm Output Devices - The committee recommends approval for 1 CEU for this course.
4. Alarm Systems Licensing Board Registration Procedures - The committee recommends approval for renewal for 3 CEU's for this course.

UNFINISHED BUSINESS

None

OLD BUSINESS

Mr. Gregory advised the status of the new computer system which the staff went live with on January 26, 2015. The system is not working and the company is incapable of providing a working system that the staff needs. The amount of \$263,000.00 has been paid to GL Solutions. GL Solutions is to contact the Board within a week to let us know what they want to do. The Board will then proceed with termination of the contract. Certain amounts were paid at different intervals. Mr. Gregory wants to get out of the contract before any more money is spent. The DPS attorneys are reviewing a legal recourse.

NEW BUSINESS

The Board discussed the matter of employment verification which was a proposal from the Private Protective Services Board. This would be an agreement with a vendor to provide employment verification for applicants who submit applications for one of the Alarm Systems Licensing Board or Private Protective Services Board's license. The PPSB feels the service is needed because on occasion the Board's investigators are unable to verify an applicant's employment history because companies will routinely refer PPS investigators to a third party to obtain the information at costs. This would help the staff investigators when they are doing their backgrounds, however, there is a cost for this. CRCcheck.com does this service as well as the criminal record checks. The Board requested more information on the different vendors and until they hear more from the Private Protective Services Board.

MR. DONALDSON MADE A MOTION TO DEFER ACTION ON THIS MATTER UNTIL THE MAY BOARD MEETING TO OBTAIN MORE INFORMATION REGARDING THE VENDORS. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

Mr. McClellan advised that a consumer had contacted him in regard to lock out codes on alarm systems. This consumer was the owner of the system. If an installer puts a lock out code on the system and the consumer changes companies, then the original alarm company must be the one to unlock the system. The company can charge for this service.

The Board's final decision was that the consumer will have to contact the original alarm company to unlock the code on the system. This matter should be between the consumer and the alarm company.

DIRECTOR'S REPORT

Mr. Bonapart presented the written report and advised as of January 31, 2015, the Alarm Board's balance was \$541,441.91. The Education Fund balance was \$57,905.59. As of March 24, 2015, the Board has 950 licensees and 7088 registrants.

MR. BROWN MADE A MOTION TO APPROVE THE DIRECTOR'S REPORT AS PRESENTED. SECONDED BY MR. INGLE. MOTION CARRIED.

ATTORNEY'S REPORT

Consent Agreements:

1. Steven G. Smith/One Source Security and Sound, Inc. - Consent Agreement in the amount of \$612.00 has been paid in full.
2. Bryan Mayhew/Time Warner Cable - Consent Agreement in the amount of \$30,294.00 has been paid in full.
3. Stanley L. Huffstetler, IV/Carolina Control Services, Inc. - Consent Agreement in the amount of \$2,958.00, to be paid in three (3) monthly installments. The first payment has been received.

The schedule of hearings in the Office of Administrative Hearings is attached to the Attorney's Report.

The Board's administrative rules had to be transferred to another Title within the North Carolina Administrative Code as a part of the transfer to the Department of Public Safety. Mr. Gray has completed the form to effectuate this change and the Board's rules are now found at 14B NCAC Subchapter 17. After the rules are published, Mr. Gray will provide a copy to the Board and the Board's staff for their use.

The Program Evaluation Division (PRD) final report on all occupational and professional licensing was released on December 16, 2014. Both the Alarm Board and the Private Protective Services Board were specifically excluded as an occupational licensing board, but considered as a occupational licensing agency. This new designation could have future ramifications for the Board.

Over the past 12 months, Mr. Gray has been communicating with the County Attorney for Surry County as well as the Attorney General's Office regarding how they view the permitting of low voltage alarm systems. A letter from the County Attorney was attached to the Attorney's Report. Wireless alarm installations do not require a permit and no inspection. Low voltage hard wired installations require a permit and an inspection. Mr. Gray does not know of any other counties doing this.

MR. INGLE MADE A MOTION TO ACCEPT THE ATTORNEY'S REPORT AS PRESENTED. SECONDED BY MR. PROCTOR. MOTION CARRIED.

GOOD OF THE ORDER

Mr. Barry Echols will be the new Director effective April 1, 2015. Mr. Echols has been with the U.S. Marshall's office, the FBI, and is currently employed with Guardsmark.

Mr. Don Childers stated that the NC Electronic Security Association convention will be held on May 6th and 7th, 2015 at the Embassy Suites in Concord, NC. Mr. Childers invited everyone and that Mr. Bonapart will also be attending the convention to teach the alarm registration class for continuing education.

MR. DONALDSON MADE A MOTION TO ADJOURN. SECONDED BY MR. INGLE. MOTION CARRIED.

Meeting Adjourned: 10:45 a.m.

Anthony Bonapart
Deputy Director

Nan Williams
Reporter

